Statement

(a) and (b) The Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested that the process of liberalisation initiated through the recent trade policy reforms would eventually lead to a convertible rupee. The medium term objective of the Government is to progressively eliminate licensing and quantitative restrictitons on capital goods, raw materials and components. This shift is proposed to be achieved over a three to five years period which would make rupee convertible for a substantial part of trade transactions.

(c) Trade account convertibility of the rupee can provide individuals/firms a much wider opportunity to buy goods from abroad provided no quantitative restrictions on imports are maintained. Trade convertibility would create a competitive environment and promote domestic production by easing access to capital goods, raw materials and intermediates from abroad. In the medium term, it will facilitate efficient allocation of resources and expose the economy to international competition enabling Indian industry to become internationally competitive.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Sir, the question reflects the very optimistic mood of the Government which I do not share. (*Interruptions*).

SOME HON. MEMBERS: The answer reflects, not the question.

MR. CHAIRMAN: Kindly put your question.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: The answer reuects the...

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

India's position on intellectual property rights

*101. KUMARI ALIA:

SHRI DHULESHWAR MEENA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to the reported Statement of Dr. Abid Hussain, Indian Ambassador to U.S., that India will have to redefine its position on Intellectual Property Rights to ensure free flow of technology into the country, particularly in view of the fact that other developing countries like China and Brazil have already begun bilateral negotiations with developed countries on various aspects of economic policy; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. In the course of an address covering many aspects of Indo-US economic and political relations, delivered on 19 August, 1991, to the Indo-American Chamber of Commerce, the Ambassador of India to the United States of America made *inter-alia*, the points that (i) a time had come when even the sensitive issues of intellectual property rights required to be addressed in the context of changes which were taking place in the structure of our economy and (ii) that India and US must appreciate each others' sensitivities in the matter and evolve a position of mutual advantage without over looking the value of intellectual property as a source of technological progress.

(b) The issue of Intellectual Property Rights is being negotiated in the Uruguay Round. Government will keep under review the progress of these negotiations to strive for the most advantageous outcome for India.